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used. Potsdam activities before corrective action was taken, had had very unfavorable reaction on Party work in West Berlin.

e. Concerning matter of Steinstuecken enclave, Ulbricht stated that the incident on 7 August was totally unnecessary and that responsible authorities would be subjected to re-education concerning incidents of this nature. Incident had only given U.S. opportunity to make new guarantee declarations concerning position of West Berlin and to make propaganda justifying its political activities. He warned expressly that apart from normal border controls, such incidents along West Berlin borders are to be avoided since they only increase burden of Party work in West Berlin."

Ulbricht's remarks attest to the regime's concern over the loss of high quality professional and academic people as well as the damage to food distribution by forcing independent retail food dealers, particularly butchers, out of business. It is interesting to note that he referred to increasing unrest among the workers as a result of arbitrary administrative raising of norms. This subject of norms was mentioned briefly in recent speeches at the SED Central Committee meeting and the National Front meetings, but it has not been publicly given the same attention as the undue pressure towards collectivization of agriculture and socialization of hand workers and private enterprise.

It is also of particular interest that Ulbricht appears to be espousing a soft line with respect to two issues which had caused considerable agitation in West Berlin, and that he justifies this line by a desire not to impede SED party work in West Berlin. This reasoning shows in miniature how serious the Communists are with respect to the future of their efforts toward West Germany.

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